LOS MEDANOS COMMUNITY

HEALTHCARE DISTRICT

STRATEGIC PLAN

2003 TO 2004

November 18, 2002

Part I

Los Medanos Community Healthcare District Mission and Mandate from the State of California

The District Mission

The mission of the District remains consistent without regard to the operation of a hospital and remains as set forth in the District's Bylaws at Section 3:

> "The primary purpose of the District shall be to identify and pursue opportunities for the District, as a governing Board, to improve the quality of healthcare in the community while promoting education and wellness, and to do any and all other acts and things necessary to carry out the provisions of these bylaws and 'The Local Healthcare District Law'."

The Los Medanos Community Healthcare District's mission, pursuant to the Local Healthcare District Law and consistent with other healthcare districts in the State, is not dependent on operating a hospital.

The District Mandate from the State of California

A fundamental misconception exists that the healthcare districts are meant to operate hospitals. The State Legislature has gradually done away with the focus on hospital operations as the purpose of the districts, starting in the mid 1980s when districts began to convert their hospitals to private sector facilities. California healthcare districts are formed and derive their posers under the "Local Healthcare District Law" at Sections 32000 *et.seq.* of the Health and Safety Code. The very name of the law was changed from "Hospital" to "Healthcare" by the Legislature in 1994 to emphasize the new purpose of the districts. Today, close to one-third of the active healthcare districts in California do not operate hospitals and many of those districts are regarded as successful local agencies.

A healthcare district is among that class of local governments created by the State known as "special districts." Without general "police powers," these districts have powers limited to those specifically authorized by the Legislature. A healthcare district may exercise the powers granted in, or necessarily implied from, the Healthcare District Law, and they may do "any and all other acts and things necessary to carry out" the provisions of the District Law. (H&S Section 32121(k).) Among the general powers that the State Legislature has granted healthcare districts, aside from choosing to operate hospitals, there exists broad authority to conduct almost any conceivable healthcare promotion activity. And throughout California

healthcare districts are engaging in just such a variety of healthcare activities. The origin of the Legislative mandate and purpose given the healthcare districts not operating acute care hospitals is found in the following provisions of the Healthcare District Law (Health & Safety Code):

Section 32121. General Authority of the District

Each local district shall have and many exercise the following powers:

.....

(c) To purchase, receive, have, take, hold, lease, use, and enjoy property of every kind and description within and without the limits of the district, and to control, dispose of, convey, and encumber the same and create a leasehold interest in the same for the benefit of the district.

(d) To exercise the right of eminent domain for the purpose of acquiring real or personal property of every kind necessary to the exercise of any of the powers of the district.

.....

(g) To employ any officers and employees, including architects and consultants, the board of directors deems necessary to carry on properly the business of the district.

.....

(i) To do any and all things that an individual might do that are necessary for, and to the advantage of, a healthcare facility and a nurses' training school, or a child care facility for the benefit of employee of the healthcare facility or residents of the district.

(j) To establish, maintain, and operate, or provide assistance in the operation of, one or more health facilities *or health services, including, but not limited to, outpatient programs, services, and facilities, retirement programs, services and facilities, chemical dependency programs, services and facilities, or other healthcare programs, services and facilities and activities at any location within or without the district for the benefit of the district and the people served by the district.*

(k) To do any and all other acts and things necessary to carry out this division.

(l) To acquire, maintain, and operate ambulances or ambulance services within and without the district.

(m) To establish, maintain, and operate, or provide assistance in the operation of, free clinics, diagnostic and testing centers, health education programs, wellness and prevention programs, rehabilitation, aftercare, and any other healthcare services provider, groups, and organizations that are necessary for the maintenance of good physical and mental health in the communities

served by the district.

.....

(o) To establish, maintain, and carry on its activities through one or more corporations, joint ventures, or partnerships for the benefit of the healthcare district.

(p) (1) To transfer, at fair market value, any part of its assets to one or more corporations to operate and maintain the assets.....

(p) (2) To transfer, for the benefit of the communities served by the district, in the absence of adequate consideration, any part of the assets of the district, including without limitation real property, equipment, and other fixed assets, current assets, and cash, relating to the operation of the district's healthcare facilities to one or more nonprofit corporations to operate and maintain the assets.

.....

(r) To establish, maintain, operate, participate in, or manage capitated healthcare plans, health maintenance organizations, preferred provider organizations, and other managed healthcare systems and programs properly licensed by the Department of Insurance or the Department of Corporations, at any location within or without the district of residents of communities served by the district.....

Section 32121.3. Physician Recruitment and Guarantee of minimum income and necessary equipment purchases; Reduced rental rates for office space; Other incentives

(a) Notwithstanding any other provision of law, a hospital district, or any affiliated nonprofit corporation upon a finding by the board of directors of the district that it will be in the best interests of the public health of the communities served by the district and in order to obtain a licensed physician and surgeon to practice in the communities served by the district, may do any of the following:

(1) Guarantee to a physician or surgeon a minimum income for a period of no more than three years from the opening of the physician and surgeon's practice.

(2) Guarantee purchases of necessary equipment by the physician and surgeon.

(3) Provide reduced rental rates of office space in any building owned or leased by the district or any of its affiliated entities, or subsidize rental payments for office space in any other buildings, for a term or no more than three years.

(4) Provide other incentives to a physician and surgeon in exchange for consideration and upon terms and conditions the hospital district's board of directors deems reasonable and

appropriate.....

Section 32126. Operation and maintenance of hospital through tenants; Lease agreement; Maximum term

(a) The board of directors may provide for the operation and maintenance through tenants of the whole or any part of any hospital acquired or constructed by it pursuant to this division, and for that purpose may enter into any lease agreement that it believes will best serve the interest of the district. A lease entered into with one or more nonprofit corporations for the operation of 50 percent or more of the district's hospital, or that is part of or contingent upon a transfer of 50 percent or more of the district's assets, in sum or by increment, as described in subdivision (p) of Section 32121 shall be subject to the requirements of subdivision (p) of Section 32121. Any lease for the operation of any hospital shall require the tenant or lessee to conform to and abide by Section 32128. No lease for the operation of an entire hospital shall run for a term in excess of 30 years. No lease for the operation of less than an entire hospital shall run for a term in excess of 10 years.

.....

Section 32126.5. Powers for provision of adequate health services; Limitations

(a) The board of directors of a hospital district or any affiliated nonprofit corporation may do any of the following when it determines that the action is necessary for the provision of adequate health services to communities served by the district:

(1) Enter into contracts with health provider groups, community service groups, independent physicians and surgeons, and independent podiatrists, for the provision of health services.

(2) Provide assistance or make grants to nonprofit provider groups and clinics already functioning in the community.

(3) Finance experiments with new methods of providing adequate health care.....

Section 32129. <u>Contracts for professional health services</u>

Notwithstanding the provisions of the medical Practice Act, the board of directors of a hospital district or any affiliated nonprofit corporation may contract with physicians and surgeons, podiatrists, healthcare provider groups, and nonprofit corporations for the rendering of professional health services on a basis as does not result in any profit or gain to the district from the services so rendered and as allows the board to ensure that fees and charges, if any, are reasonable, fair, and consistent with the basic commitment of the district to provide adequate health care to all residents within its boundaries.

[Emphasis in above text added]

The Attorney General of California has on a number of occasions formerly rendered opinions of the breadth of healthcare district authority and has remarked about the wide scope of powers unique among California special districts. In reviewing the above list of Legislative grants of authority, the Attorney General stated:

> "...It is difficult to conceive of a way in which the Legislature could have granted a broader discretion to the District as to its properties." (22 Ops. Cal. Atty. Gen. 53.)

The fact that the District's Mission and Legislative Mandate remains unaltered by the failure of the hospital supports the District's decision to move beyond mere implementation of the Bankruptcy Plan and Health Center oversight. The next step in development of a Strategic Plan is to place the District's Mission and Legislative Mandate in the context of the healthcare environment present in the City of Pittsburg, Bay Point, an environs.

Part II

Summary of Community Needs Assessment and District Health Profile

Los Medanos Community Healthcare District Strategic Planning

Year 2002

The District's need to assess the health status of the residents of the District as a prerequisite to District service planning was greatly aided by the availability of the Contra Costa County United Way/Hospital Council Collaborative Community Assessment of 1999 and a District Health Profile for the Year 2000 was developed. We have recently received the Contra Costa County Community Needs Assessment 2001, Quantitative Overview prepared for the Hospital Council of Northern and Central California, and the Community Perceptions of Health Care Needs in Contra Costa County prepared for the Hospital Council on December 11, 2001, and this data is currently being analyzed for our healthcare district and will be available in the very near future. In the interim, we include the District Health Profile for the Year 2000 until the update is available.

Los Medanos Community Health District District Health Profile – Year 2000

(Note: This District Health Profile relies primarily on data for Pittsburg/Bay Point zip code 94565.)

DISTRICT DEMOGRAPHICS – WHO WE ARE

(From the 1990 US Census for zip code 94565, unless otherwise noted.)

Population: 63,949.

Households: 21,382.

Races, Ethnicity: White, 38,899 ; Hispanic origins, 14,717; Black, 10,467; Asian or Pacific Islander, 7,599; American Indian, 537; other race, 6,447. (Percentage breakdowns from 1997

Claritas Demographic Data; White, 40.5%; Latino, 28.3%; African-American, 16.8%; Asian, 13.7%, Native American or other, 8%.)

Language Spoken at Home: (Top three for persons 5 years and over) English only, 41,333; Spanish, 9,848; Tagalog, 2,969.

Gender: Female 32,371; male, 31,570.

Age: Early childhood, 5 years old and younger, 7,842 (12.26 percent); elderly, 65 years old and older, 5,075 (7.94 percent); largest adult age group, ages 30-34, 7,187 (11.13 percent).

Income: Median household income in 1989, $36,201.

DISTRICT COMMUNITIES – WHERE WE LIVE

(Percentages based on voter registration of 27,748 as of 10/27/99 in Los Medanos Community Health District. Voter numbers in parentheses).

Pittsburg 73.24 percent (20,322); Bay Point, 22.33 percent (6,197); Clayton, 1.94 percent (539); Clyde, 1.25 percent (348); Antioch, 0.51 percent (142); Concord 0.37 percent (103); unspecified, 0.35 percent (97).

Pittsburg/Bay Point total (zip code 94565), 95.57 percent.

DISTRICT MORTALITY – CAUSES OF DEATH

(*Data from Contra Costa Health Services web site for zip code 94565)*

Total in 1997 for Pittsburg/Bay Point residents, 407 deaths.

Causes of Pittsburg/Bay Point deaths in 1997:

- Heart Disease, 106 deaths;
- Cancer, 90 deaths;
- Stroke, 39 deaths;
- Pneumonia and influenza, 20 deaths;
- Unintentional injuries, 20 deaths;
- Chronic obstructive pulmonary disease, 17 deaths;
- Homicide, 9 deaths;
- Suicide, 8 deaths;
- AIDS, 8 deaths;
- Diabetes mellitus, 7 deaths;
- All other causes, 79 deaths.

DISTRICT DISEASE HOSPITALIZATION RATES

(*The data below provided by the Contra Costa Chronic Disease Organizing Project, shows rates per 100,000 population of hospital discharges for seven chronic diseases of residents in the Pittsburg/Bay Point zip code in 1997, compared to Contra Costa rates (in parentheses) for 1997)*

	Pittsburg/ Bay Point	Contra Costa County
Heart Disease	1,117.13	(1,057.06)
Cerebrovascular	309.23	(300.48)
Obstructive Pulmonary	305.05	(239.73)

Malignant Neoplasm	254.91	(396.33)
Diabetes Mellitus	167.15	(105.06)
Asthma	161.58	(117.78)
Liver Disease	29.25	(44.3)

The rates of hospitalization for heart disease, obstructive pulmonary disorders, diabetes mellitus and asthma were higher in Pittsburg/Bay Point than in Contra Costa as a whole in 1997.
The greatest number of chronic disease deaths of Pittsburg/Bay Point residents were due to heart disease (602 deaths) and cancer (500 deaths) from 1993-97.

RESPIRATORY AND LUNG DISORDERS
(*The data below was supplied by the American Lung Association of the East Bay)*

Prevalence and incidence of lung disease in Contra Costa County, estimated in April 1999 report:

CHRONIC LUNG DISEASES
Lung Cancer, 548
Emphysema, 6,188;
Chronic Bronchitis, 48,324;
Adult Asthma, 32,195.
Pediatric Asthma, 17,166

ACUTE LUNG DISEASES
Acute Bronchitis, 43,836;
Common Cold, 200,258;
Influenza 357,919
Pneumonia, 17,106;

Total charges for asthma hospitalizations in Contra Costa County from 1994-96, $22,329,657. Median cost per case, $7,110. Average length of stay, 3.53 days. Total Contra Costa cases for period, 3,082.
Age-adjusted asthma hospitalizations for Pittsburg/Bay Point residents from 1994-96, 323 discharges, tied with Antioch for second highest in the county. Richmond was highest at 326. Asthma hospitalization rate for Pittsburg/Bay Point for period, 176 per 100,00 population.
Asthma, a chronic respiratory illness, is the leading cause of school absences and hospital admissions for children in California. Asthma affects an estimated 2.5 million Californians, including half a million children. The rates have increased 75 percent in the last 15 years.

HEALTH TRENDS
(*From Contra Costa County Epidemiology, Surveillance and Health Data Unit.)*

Tuberculosis cases reported from 1993-98: Pittsburg 57 cases; Bay Point, 8 cases; countywide total 634 cases.

People living with AIDS in Pittsburg, 70, deceased 102; people living with AIDS in Bay Point, 19, deceased 43, as of 7/12/99. Highest cumulative incidence of AIDS in Contra Costa per 1,000 population: Richmond, 5; San Pablo, 4.4; Pittsburg 3.2.

Reportable communicable diseases by Contra Costa region for Jan.-Jun, 1999, top five in east county: Hepatitis C (carrier), 221 cases; Hepatitis B (carrier) 30 cases; campylobacter, 11 cases; tuberculosis, 9 cases; giardiasis and Hepatitis A, 8 cases each.

DISTRICT CONDITIONS AND ISSUES

(*Note: This section is a compilation of issues, conditions, successes and shortcomings in health-related matters that affect residents of the District. Although quick solutions to problems may not be possible locally, their listing may help shape future efforts. The public is invited to comment and contribute during annual updates of the District Health Profile in pursuit of the District's Pathways to Health Program. The items are listed by number for purposes of identification. There is no ranking implied or intended. The data is from the 1999 Contra Costa Collaborative Community Assessment prepared by the Northern California Council of the Community, unless otherwise noted.)*

Item No. 1 – **Physicians** – East Contra Costa has the lowest per capita rate of primary care physicians in the county at 21 physicians per 100,000 people. The statewide average is 67 primary care physicians per 100,000 people. (Assessment Vol.1, Pages 277-78) Note Bay Point status with no physician availability according to the Assessment. See key statistics chart.

Item No. 2 – **Infants** – African American infants in Contra Costa County are almost twice as likely to die before their first birthday as infants in other groups. (Assessment Executive Summary, Page 5)

Item No. 3 – **Uninsured** – Californians are disproportionately more likely to be uninsured than other Americans (18 percent in a west county study). The lack of health coverage in California is most prevalent among young adults, lower income families, Latinos, African Americans and Asian Americans. (Assessment Executive Summary, Page 8)

Item No. 4 – **Cancer** – Breast cancer is the leading form of cancer in Contra Costa County, nearly half of all breast cancer cases are among women ages 60 and older, and 90 percent of Contra Costa County's prostate cancer cases are among men over 60 years old, with significantly higher rates for African Americans. (Assessment Executive Summary, Page 10)

Item No. 5 – **Abuse** – Calls reporting possible child abuse, neglect or abandonment in Contra Costa County have increased 44 percent since 1990. Reports of elder abuse in Contra Costa County have increased from 110 in 1990 to 514 in 1996. (Assessment Executive Summary, Page 8)

Item No. 6 – **Asthma** – While asthma can occur at any age and has a higher mortality rage among older persons, it more commonly firs occurs in children and youth. Asthma is a leading chronic childhood disease and the leading cause of hospital admissions among children in California. (Assessment Volume 1, Page 225)

Item No. 7 – **Tobacco** – Smoking took the lives of 20.7 percent of the men (148 deaths) and 15.6 percent of the women (93 deaths) who died in Pittsburg/Bay Point from 1989-91. Smoking-attributed deaths account for 19 percent of all California deaths. According to the 1989 Surgeon General's report on tobacco, smoking accounted for 87 percent of lung cancer deaths, 82 percent of chronic obstructive pulmonary disease deaths, 21 percent of coronary heart disease deaths and 18 percent of stroke deaths. (Assessment Vol.1, Page 258)

Item No. 8 – **Heart/Cancer** – In 1993-97, African Americans living in Pittsburg/Bay Point had higher rates of death from heart disease (24.93 per 100,000) and cancer (22.19 per 100,000), than their white counterparts (13.45 per 100,000 and 11.11 per 100,000 respectively). Rates of death for Latino residents were similar to those of white residents (From Contra Costa Chronic Disease Organizing Project data)

Item No. 9 – **Aging** – With aging of the "baby boom" generation born just after World War II,

the number of older adults in five Bay Area counties is projected to increase dramatically by the end of the decade. The largest proportional increase in the age 55+ population is expected in Contra Costa County, forecast 103.8 percent from 1990 to 2010 (from 153,388 actual in 1990 to 312,556 projected in 2010). The "old-old" population age 85+ will increase by 237.2 percent, from 7,259 in 1990 to 24,446 projected in 2010. (From "Coming of Age" 1997 Bay Area Regional Report demographic profile, provided Contra Costa Area Agency on Aging)

Item No. 10 – **Transportation** – Lack of transportation in Contra Costa County is reported to be a deterrent to receiving adequate care, especially for elderly and homebound people. (Assessment Executive Summary, Page 9)

Item No. 11 – **Immunization** – The level of early childhood immunizations in Contra Costa County (65 percent) is higher than the statewide level (57 percent) but still falls short of the Healthy People 2000 goal of 90 percent. (Assessment Executive Summary, Page 9)

Item No. 12 – **Undocumented** – Fear of deportation, language barriers and cost prevent many undocumented individuals from seeking physical and mental health care. Children of immigrant families have fewer referral services, are less likely to seek care, and are more likely to be uninsured. (Assessment Executive Summary, Page 6)

Item No. 13 – **Tuberculosis** – In 1996, 44 percent (186) of tuberculosis cases in Contra Costa County were from foreign-born residents. Of these foreign-born cases, 37 percent (69) were from the Philippines and 15 percent (27) were from Mexico. From 1995-96, the most significant increases in tuberculosis cases in the county were in African American women, ages 18-25, and in children ages 7-18, in the west county. (Assessment Executive Summary, Page 6)

Item No. 14 – **Men** – African American men suffer from rates of hospitalizations for cardiovascular disease, strokes, hypertension, heart disease and diabetes that are significantly higher than state rates, and have the highest rate of prostate cancer of all groups in Contra Costa County. (Assessment Executive Summary, Page 6)

Item No. 15 – **Latina** – In California, Latina women with breast cancer are more likely to be diagnosed at a late-stage, regardless of socioeconomic status. Latina teens (under age 20) had the highest number (397 of 1,070) of teenage births in 1997 in Contra Costa County. This represents 37 percent of all births in this age group in the county. (Assessment Executive Summary, Page 6)

Item No. 16 – **Teens** – Contra Costa teenagers (ages 15-19) have a chlamydia infection rate over six times higher than all other age groups. Homicide accounted for 30 percent of all deaths for adolescents/young adults (ages 15-24) and suicide accounted for 10 percent of the deaths (18 of 184) in 1995-96 in the county. (Assessment Executive Summary, Pages 9-10)

Item No. 17 – **Prenatal** – Early, comprehensive prenatal care can significantly reduce rates of

infant and maternal illness and death. Contra Costa County is experiencing the adverse effects of having 16 percent of its pregnant women begin prenatal care after their first trimester. (Assessment Executive Summary, Page 11)

Item No. 18 – **Alcohol, Drugs** – A total of 4,979 alcohol-related and 2,838 drug-related hospitalizations, where alcohol or drugs was the principal diagnosis, were recorded among Contra Costa County residents from 1991 to 1995. A total of 1,751 Contra Costans died as a result of alcohol and 327 died due to drugs during the five-year span. (Assessment Vol.1, Pages 255,257,259)

Item No. 19 – **Mental** – In 1996, 1,244 hospitalizations of East Contra Costa residents received a primary diagnosis of mental disorder. Mental disorder hospitalizations accounted for 5.2 percent of the 22,887 hospitalizations of east county residents during the year. (Assessment Vol.1, Page 242)

Item No. 20 – **Access** – Contra Costa County residents may find it difficult to access physical and mental health services because of economic, service or social barriers to care. Among these barriers are: lack of service in poor communities, language and cultural barriers, immigrant status, transportation, and lack of awareness of services. (Assessment Executive Summary, Page 8)

Item No. 21 – **Elderly** – In 1996 and 1997 surveys of older Contra Costa County residents, the main problem cited by respondents was transportation, followed by “money to live on” and health care. Loneliness and isolation and in-home support services were all cited. (Assessment Vol.1, Pages 52, 53)

Item No. 22 – **Children** – Nearly 13 percent of California’s children are uninsured, despite the fact that, as a federal study suggests, nearly 40 percent of the uninsured children qualify for Medi-Cal. (Assessment Summary, Page 9)

Item No. 23 – **Preventable** – When access to health care is limited, medical conditions that are effectively treated with timely and quality outpatient care can become serious enough to warrant hospitalization. These ambulatory care sensitive (ACS) conditions include preventable illnesses, rapid onset conditions and chronic conditions. Of the 1996 hospitalizations of 90,782 Contra Costa residents, 7,805 or 8.6 percent were potentially preventable ACS conditions. These preventable hospitalizations included primary diagnosis of bacterial pneumonia (27 percent), congestive heart failure (25 percent) asthma (13 percent) or chronic obstructive pulmonary disease (13 percent). The rates of ACS hospitalizations were disproportionately high in East Contra Costa (nearly 9 percent) and in West County (10 percent). (Assessment Vol.1, Pages 281, 282)

Item No. 24 – **Language** – No community resource exists to inform consumers about the language capabilities of health care providers. (Assessment Vol. 1, Page 279)

Item No. 25 – **Fragmentation** – Services may be duplicated or essential services may fall through the cracks in the absence of a central registration system or system to ensure that patient records will accompany people who are seeing multiple providers. (Assessment Vol.1, Page 28)

Part III

Los Medanos Community Healthcare District
Key Goals and Strategies For 2002-2003

Based on conclusions drawn from the evaluation of the District's purposes and Legislative mandate and the healthcare environment enveloping its residents, the Board of Directors has developed goals for its strategic plan with a focus on the five key targets in the Strategic Plan 2000 to 2002 and adding one additional goal. Weighing heavily on the development of these Key Goals was the need to work within limited financial resources and yet pursue goals articulated through the first strategic plan.

A two year scope of plan was again chosen in order to develop a credible set of goals with readily accessible outcomes and measures of accomplishment. The District has evaluated the Pathways and Grants priorities and effectiveness and concluded a successful beginning has been accomplished. Further, the District has gained post bankruptcy revenue and expenditure experience with success. The next two years of this strategic plan will see the original 1977 Building Bond debt being paid in full in February 2004. We have therefore succeeded to date in the establishment of budget stability. The Board has recently become involved in effective health center development and operations oversight and this will continue in the future. The development of the Tri District Contra Costa Healthcare Authority was initiated and proved successful in the beginning but then each district's priorities resulted in the meetings being discontinued in November 2001. However, it is felt that the valuable exchange of information and program evaluation is important and the District sees the need to reestablish communication and meetings between the three district boards.

In summary, all five goals in the 2000 Strategic Plan will be carried over as follows: (1) The Pathways to Health Program will be carried over with revisions to focus on children and geriatric issues; (2) the Community Grants Program has been a success and will be carried over; (3) the Board agreed that Budget Stability has been achieved and will be carried over; (4) Health Center Development and Operations Oversight concerning involvement in the Health Center and activities will be carried over; and (5) the Tri-District Healthcare organization will be carried over as the exchange of information during these meetings has proved beneficial. The following wording was approved for the five carryover items:

GOAL: Implementation of the Pathways to Health Program

The first element of the Program is the ongoing monitoring of the health profile and status of the residents of the District with active public participation in the annual update process. Another key element is the District Community Outreach Committee designed to create a broad based community vehicle for the monitoring and multi-organizational pursuits of the

Pathways Program. The Program specifically envisions cooperative efforts with Contra Costa County and topics of study focused on Pittsburg Health Center and its operations.

The Pathways Program has been revised and the District Health Profile is being compiled for 2002. The next steps will be Board recruitment and appointment of the Community Outreach Committee and the setting of hard dates for the workshops and forums set forth in the Program document.
The Program will be developed by volunteer efforts sponsored by the District and should be sustained on a volunteer basis and with a paid Project Coordinator. By the end of the two year scope of this Plan the District will be able to evaluate the effectiveness of the Pathways Program.

GOAL: Implementation of the Community Grants Program

The Grants Program, modeled upon those adopted by other healthcare districts and community health organizations, grew out of the stark realization that with limited financial resources the District could not, until additional revenues were generated or partnerships developed, engage in direct health services. The most efficient means of meeting community needs and fulfilling the District's Legislative mandate is to support existing organization efforts to provide health services to the residents of the District. Beyond the second two year scope of this Plan, the District hopes the Grants Program will evolve into direct District health service programs. The District can envision engaging in direct services benefitting residents including revenue producing partnerships (e.g., with the County and other providers), and optimally supplementing Pittsburg Health Center services based at the District's campus. The District's role as facility owner, landlord, and advocate for services of the Health Center, should act as a springboard for evolution of the District into a direct health services provider.

In the interim, within the next two year period for development under this Plan, the District will be able to assess the effectiveness of the Grants Program and evaluate the District's ability to engage in direct healthcare services.

GOAL: Budget Stability

The Board has successfully implemented bankruptcy plan payments (from taxes and rent), which is the main priority of District financial planning. The Board will now be able to continue to establish a stable budget for planning purposes for the 2003 and 2004 budget cycles. The District has engaged competent and experienced CPAs and auditors to assist in maintaining this plan goal.

The District has responsibility for the legacy of the bankruptcy plan and at the same time must establish a post bankruptcy basis for financial planning and stability. The year 2000 was the first year the District was able to experience the implementation of the bankruptcy plan

payments and gaining confidence in the projected and budgeted availability of unrestricted revenues and actual maintenance expenditures. The LAFCO proceeding dictated suspending implementation of the Grants Program and some other activities pending resolution of the LAFCO process. The program was again suspended in 2001 pending the outcome of a Board resolution to authorize a forensic audit from 1998 to date. The eight-month review of this resolution and the resulting conclusion revealed an audit was unnecessary. Health and education programs were reactivated in 2002 with very satisfactory results. Further, audits have been conducted for the District post-bankruptcy and all have shown very satisfactory accounting and financial planning and processing.

Although financial resources remain limited (projected $200 to 250 thousand in unrestricted tax revenue due to increased tax base), the District has reached a degree of financial stability that was not available when it operated the hospital. The District's revenues and normal expenditures are now fairly predictable and stable. The ability to successfully implement bankruptcy plan payments (from taxes and rent) will remain the main priority of District financial planning and the District will continue to establish a stable budget for planning purposes for the 2003-2004 budget cycle.

GOAL: Health Center Oversight

The goal to firmly establish the District's role as owner, landlord, and advocate within the next two years will be met by three action steps. First, the Board of Directors will create a Building and Lease Oversight Committee. Second, and corresponding therewith, the Committee will sponsor regular public Pittsburg Health Center forums devoted to Health Center activities and planning to assure resident access and input to County and District officials involved in the operations of the Health Center. The third facet of implementing this goal will be District organization of the Community Advisory Committee called for under the lease. The unstated but always present fourth facet of implementing the District's oversight/landlord role is the ability of the District to enforce the terms of the lease with Contra Costa County.

GOAL: Development of the Tri District Contra Costa Healthcare Board

The Tri-District effort represents a planning effort on two levels. One level is exploring the potential for joint health care services programs, including education programs or other services benefitting residents of the Districts but productively aimed at residents of the entire County. The second level of planning focuses on the possible cooperation in relation to healthcare issues common to the residents of the three Districts and the County generally. Within the two year scope of this Plan, the District believes an assessment of the Tri-District's ability to successfully implement the two levels of planning envisioned can be accomplished.

GOAL: Health Program Partnerships Located in the District Building

The Board recognizes the need for health program partnerships located in the District building. This future goal work will be to pursue programs that the Board can partner with Contra Costa County or others that are children-oriented and located in the District building. The Board is currently pursuing a new program with the County on N.E.W. (Nutrition, Exercise and Wellness) KIDS PROGRAM which focuses on childhood obesity. The Board is also investigating the possibility of recruiting and hiring a staff person part-time or full-time to work with healthcare programs and partner with organizations as a representative of the Board. The Board is also investigating a children's nutrition program which could also be linked to seniors. The Board is emphatic that it must be a partner in healthcare programs and not just a monetary funder. The next two year cycle will allow the Board to expand and develop new partnership programs.

STRATEGIC PLAN2003
November 15, 2002

Attachment 1

Croskey Essay on District Stewardship of Properties

(NOTE: This essay was written on May 23, 2000, but the content remains pertinent today)

District Stewardship of Its Properties

by Dr. Bruce Croskey, President, Board of Directors,
Los Medanos Community Healthcare District

One of the many, and perhaps most important, roles played by the District Board is that of overseer and protector of the District's assets. Without a doubt, the major asset of the District is the building and the attached real estate.

The building and attached real estate is currently under lease with Contra Costa County. This lease is for twenty years and contains options to extend it another ten years. The lease calls for no provisions for tenant improvements to be paid by the District. All improvements are to be done by the County at their expense. Like any other landlord, we are faced with the problem of a tenant improving our building. While this sounds like a great gift, there are some fundamental hazards that require close supervision.

The District's building belongs to all the taxpayers in the District, and it is the responsibility of the District Board to safeguard these assets. The District is responsible to monitor all County activity within the building to ensure that it does not, in any way, erode the value or preclude the District's ability to sell or encumber the property at a later date. If the District does not monitor this, who would? Who would perform this stewardship?

If properly maintained, the real estate currently owned by the District could be sold at some future date at a then fair market value. Exactly what this value would be is not within our purview but would be a substantial amount considering the lease could run for thirty years! This money could then be returned to the taxpayers as repayment for their investment of tax payments. Most likely this would represent a profit for all.

If the building is not maintained or modified in such a way as to devalue the asset, the taxpayers will lose. It is the responsibility of the Board to ensure that this does not happen. The building must be maintained and kept in a marketable condition. If the Board does not do this, the Board will not have fulfilled one of the basic responsibilities of any elected official, to take charge of the public trust. Besides, if the Board does not do this, who will look out for the interest of the District?

In addition to monitoring the lease of the building, the District is responsible for the legal compliance of the assets. We regularly receive compliance requests from both the City of Pittsburg as well as the County and State. The District is legal owner and is responsible for the correction and/or compliance with these requests. Some of these include weed abatement, construction of sidewalks, and toxic waste surveys as well as health related surveys from the State and County.

In addition to the real estate owned, the District is also responsible for the care and custody of

all medical records of the former hospital. This is a great responsibility that the District must undertake and is further complicated by the fact that many of the records were damaged or lost during cataclysmic flooding during the State Trustee's auction. Since a clear inventory of all records cannot be produced, no custodian will assume the care and control of these records fearing a major legal suit. The District has placed the records in storage and made arrangements for record retrieval by interested parties which occurs almost every day. The District has this liability and cannot pass it off to another as there is no one willing to assume it.

Attachment 2

Pathways to Health

PATHWAYS TO HEALTH
Revised 11/15/02

1. **RESOURCES**: The District shall allocate resources through partnerships, District-run programs and grants to non-profit organizations to foster health education and healthcare services within the District and may utilize forums, festivals, classes or other endeavors as authorized by state law to that end.

2. **PROFILE**: The District shall adopt and update an annual District Health Profile to highlight health conditions, demographics, and issues within the District.

3. **OUTREACH**: The District shall utilize a District Outreach Committee, chaired by a Board member, to facilitate coordination, outreach, review and study of health matters to District residents. The committee shall have no more than 21 official voting members and an unlimited number of ex-officio non-voting members. The District Board shall review composition and membership of the District Outreach Committee every two years. The Board President shall appoint its chair. The committee shall meet at the call of the chair.

4. **SPACE**: The District shall adopt a policy for use of its portion of the Pittsburg Health Center for health-related activities benefitting District residents and for business meetings of non-profit groups with members residing in the District.

5. **ADVOCATE**: The District may act as an advocate for District residents with other agencies and bodies in health-related matters as may be a uthorized from time to time by the District Board.

6. **WEB SITE**: The District shall operate an internet web site (*lmchd.org*) to provide District residents access to agendas, minutes, financial and other documents and information and to allow a means of feedback to the District Board.

7. **STAFFING**: The District shall utilize volunteers, consultants, or personnel of other agencies in carrying out its mission to the extent feasible and cost effective in order to limit hiring of its own staff.

8. **VOLUNTEERS**: The District shall maintain a list of volunteers and call upon them as needed to assist and participate in District programs and activities. The Board President may designate a volunteer coordinator for programs or activities that require major volunteer help.

9. **FUTURE**: As landlord and owner of the Pittsburg Health Center premises, the District shall cooperate with Contra Costa County in operation of the premises and shall conduct a feasibility study prior to the expiration of the County lease on future utilization of the

premises including possible use as a hospital.

Attachment 3

Community Grants Program

LOS MEDANOS COMMUNITY HEALTHCARE DISTRICT

GRANT APPLICATION GUIDELINES

2002 Request for Proposals

The Los Medanos Community Healthcare District ("LMCHD") is inviting proposals for its second funding cycle which will be concluded by July, 2002. The Board of Directors will consider funding grants to local projects that are within the mission and priorities described in these guidelines.

The District's Mission and Source of Funding

The mission of the LMCHD is to improve the health and well-being of the communities and people served by the LMCHD. The District formed in 1948 to promote the general healthcare needs of the residents of East Contra Costa County. The District's operations are governed by The Local Healthcare District Act, at California Health & Safety Code Sections 32000, et.seq. The District receives property tax revenue annually and hopes to disburse $50,000 to $100,000 in grants this year. Eligible projects must be within the service area of LMCHD.

The District's Funding Priorities

In carrying out its mission of improving the health and well-being of people and communities, the District will evaluate proposed projects applying a broad definition of personal and public health rather than a strict medical model. Therefore, it will consider projects within the full dimension of human physical, psychological, intellectual, and social development and well-being.

Projects may focus on prevention, education, direct services, supportive services, and any other forces or factors that affect the healthy well being of people and communities. The District is willing to consider requests from a wide range of organizations and entities provided that the projects being presented clearly relate in a significant way to improving the health of people and communities.

High priority will be given to projects that:

- have clear goals and outcomes relevant to community or public health needs;
- avoid or reduce duplication of effort;
- make the best use of limited resources;
- are capable of being sustained; and
- are supported by the targeted community.

The District is interested in innovative projects; e.g., projects that have the potential for helping underserved, disadvantaged and special populations to overcome barriers to accessing health care; respond to the correlation between poor health and economic status; focus on the

healthy development of children and youth; or focus the community's attention on an emerging health-related problem.

Grants Available From the District

The District's grants can finance an organization's start-up of a new project or the expansion of an existing project in response to populations not served. The District is interested in projects that can attract other funding in collaboration with its grants. Applicant organizations should possess experience, sound management, active and diverse boards of directors, qualified staff, and volunteer resources. The District will not fund on-going operational overhead for an applicant. The District does not provide long-term or permanent annual support for any organization or project. Therefore, agencies funded must have the financial and organizational potential to sustain a project after the District's funding has ended. Grants awarded will be for one year of a project. After completing one year's funding and following submission of a final report, an organization may apply for another year of funding.

The District will make available several types of grants to achieve the funding priorities described:

- Project Grants which provide funding for an organization's focused and realistic response to an urgent current or emerging problem or issue.
- Collaborative Action Grants which provide funding for two or more organizations to collaboratively plan and work together on a current or emerging problem or issue.
- In addition to considering proposals initiated by organizations, the District will also occasionally initiate its own request for a proposal from one or more appropriate organizations when the Board and staff have identified a problem or issue that needs to be addressed.

General Eligibility Guidelines

The District has two criteria that all funded organizations must meet:

- An organization must be a tax-exempt, 501(c)(3), nonprofit corporation or an entity within the public sector, including school districts and departments of local government.
- An organization must not engage in discrimination inconsistent with its tax-exempt status and federal and state civil rights laws.

The District cannot fund any of the following types of requests:

- Grants to individuals.
- Grants for medical, scientific or non-applied research.
- Grants for religious activities. This does not exclude grants for community benefit projects open to the public which are conducted or sponsored by religious institutions.
- Grants for lobbying or influencing elections.
- Grants that will add to or start an organization's endowment.
- Grants to private or corporate grantmaking foundations.

- Grants for capital campaigns or building improvements.
- Grants for overhead or administrative costs not directly related to a proposed project.
- Grants to retire a previously incurred operating debt.

The District's Annual Funding Cycles

In 2002 the District will utilize these guidelines for the District's annual grant cycles. Proposal dates will be disseminated annually.

Proposals must be received at the District's office by 3:00 PM on the date proposals are due. **Faxed proposals will not be accepted.** A format for what to include in a proposal and the required attachments is enclosed with these guidelines. Additional copies are available by calling or coming into the District's office. Please note that the Board office is only open on Wednesday of each week from 7:30 AM to 3:30 PM and the Secretary is only available on Wednesday.

The District's Board is available to meet with organizations to discuss a proposed project or to review a draft of a proposal before it is submitted. The review process may include site visits by the District's Board members with applicant organizations to discuss a project in more detail and to meet the people involved. The District's Board of Directors reviews all proposals and is solely responsible for the final decisions on all requests for funding.

In conducting the affairs of the LMCHD, the Board of Directors adheres to the Brown Act and Public Record Act when meeting and deliberating. Therefore, applicant organizations should be aware that their proposals or some aspect of their request might have to be made available to the public when the Board meets to decide on the grants to be awarded this year.

For more information or to schedule a meeting with the District's Board, please call: (925) 432-2200. To submit a proposal, please address and send it to: Los Medanos Community Healthcare District, P. O. Box 8698, Pittsburg, CA 94565-8698.

FORMATS FOR PROPOSALS

General Information

Prior to submitting a proposal, organizational representatives are encouraged to discuss their ideas for funding with the District's Board members. The District limits its grantmaking to the purposes described in the Grant Application Guidelines. Other projects, however worthy but not appropriate to these guidelines, will not be considered.

General Requirements

You are required to submit only one copy of your proposal and its attachments. Please remember, faxed proposals will not be accepted. Proposals are due in the District's office by 3:00 PM on the date due. Proposals may be hand delivered. All proposals must be organized and signed as follows:

- The first page must be on the applicant organization's printed letterhead with the current address and telephone number.
- A proposal should be a maximum of four typewritten pages. The required attachments are extra pages.
- A proposal should be prepared in the form of a letter addressed to the District's Board of Directors and signed at the end by the President of the board and the Executive Director of the applicant organization, or other appropriate signers if applicant is an entity of government. *These signatures attest to the fact that the governing body of the applying organization or entity is aware of the proposal and its contents and has approved its submission.*

Suggested Format for a Project and Collaborative Action Grant Proposal

Introductory Summary

This is a paragraph summarizing the type of grant requested, the purpose of the project, who will benefit, the expected health-related outcomes, the organizations involved, the proposed length of the grant period, and the total cost for the project and the amount requested from the District. In one sentence please state clearly why this project relates to the District's funding priorities. Also, please state the current total annual budget for the applying organization and the dollar amount and percentage of administrative expenses for this project and for the applying organization's total budget including fundraising costs.

The Statement of Need and the Population Affected

Please describe the problem or issue to be addressed by the project and which communities and populations are affected by it. Describe how people are affected by the problem and how pervasive it is. Indicate how the applicant organization has an existing relationship with the population affected. Use statistics if they are current and relevant to make your case. Quotes

from recognized and appropriate authorities may be used as well. The purpose of this section is to justify the proposed project and to lay the foundation for the approach or methods you will use to address the problem.

The Description of the Project to be Conducted

This is the core of the proposal and should include how this project will be conducted in relation to the problem identified. Details are important in this section including the kind of staff that will be needed, activities that are to be conducted, and a direct correlation between these activities and the desired outcomes from the project. The design of the project should be well-crafted, feasible and appropriate in scope to the problem.

This section should also include information that indicates the organization is qualified and capable to conduct this project. Describe how the organization's current work exposed it to the problem, and how current staff are experienced enough to take on this new activity. Describe how the organization has had successful experience in implementing other projects similar in size and scope to the proposed project.

If this is going to be collaboration among two or more organizations, please describe all the players and what each will contribute to the process. Indicate who the lead organization will be and what the roles and responsibilities of each organization will be. Describe how you will divide up the funding for the project based on tasks performed.

The Financial Plan for the Project

Please describe the current and future plans for funding this project. Indicate all known funding sources as well as those that you plan to solicit over time. Describe in detail how you will sustain this project after the District's funding has ended. Describe what public or private resources you anticipate will support the continuation of this work. Describe the current financial situation of the applying organization and how funding this project will affect its stability. Please state when you plan to need the District's funding in relation to when you will start the project.

Evaluation of the Project

Please describe how the design and implementation of the project and the outcomes will be evaluated. Indicate how people in the community, who are affected by the problem and participated in the program, will be involved in the evaluation process. In evaluating, the District seeks to understand not only what was successful about the project but also what did not work and why. The District will seek to review measures by which the success of the project can be evaluated.

The following attachments must be submitted with all types of proposals:

- The Application Cover Sheet
- A copy of the organization's final 501(c)(3) determination letter from IRS.

- A list of the organization's current board members with their professional, business and community affiliations.
- Letters of commitment from all other organizations collaborating on the project or technical assistance, including statements of their financial, organizational and staff commitments.
- The budget for the proposed project or technical assistance which includes all known and projected sources of revenue and anticipated expenses. Please include footnotes to each line item with the budget. If possible, please present a project budget in a twelve month cash flow format.
- The organization's current total annual budget approved by the board of directors.
- The organization's most recent year-end audited financial statements. If the organization does not have audited statements, then please provide the last year-end unaudited statements, including a balance sheet and statement of income and expenses which were reviewed and accepted at a board meeting where a quorum was present.
- Any other printed materials; e.g., an annual report, brochure, etc., which would describe your organization and its programs in relation to the community.

The District's Board of Directors is available to discuss your project and proposal with you. The LMCHD is a local public agency and local nonprofit organizations are our partners in carrying out our mission of improving the health and well being of the people and communities we serve. We are interested in meeting representatives of local nonprofit organizations, so please invite us to visit your organization.

For more information or to schedule a meeting with the District, please call (925) 432-2200. To submit a proposal, please address and send or deliver it to: Los Medanos Community Healthcare District, P. O. Box 8698, Pittsburg, CA 94565-8698.

APPLICATION COVER SHEET

Please place this completed cover sheet over the first page of your proposal.

ORGANIZATION INFORMATION

Organization's
Name: _______________________________ 501(c)(3) Yes ☐ No ☐

Address:

Executive
Director: _____________________________ Phone #
(Or designated contact person & title for governmental entity)

Organization's
FAX # ___________ E-Mail Address _________ Fiscal Year

SUMMARY OF PROPOSAL

On the line next to the type of grant requested please state the amount requested:

$___________ Project $____________ Collaborative Action

Total cost for the project or technical assistance $__________ Organization's total annual budget $________ $________

When will the project begin ___________ and end

Title and summary of the proposed project or technical assistance:

Describe all the characteristics of the population(s) to be served by the project; e.g., ages, gender, ethnicity, economic status, medically uninsured or underinsured, etc.

What geographic area will the project cover:

Describe the problem to be addressed & the anticipated outcome from the project or technical assistance:

Describe the personnel to be involved:

Summarize how the project or technical assistance will be evaluated:

Describe the funding plans to continue this project after the grant period is completed:

GRANT EVALUATION AND SELECTION CRITERIA

1. Does the project meet the mission and goals of the District?

2. Is the proposal presented clearly and concisely? Has all the required information been submitted in the order and format requested?

3. Are the costs for material and services reasonable? What other funds and in-kind contributions are available to you?

4. Does the project respond to significant needs and conditions in the community?

5. Is the applicant qualified to undertake and carry out the project? Does the project duplicate existing programs in the community?

6. Are the objectives of the project realistic? How will you meet your project goals within the grant period?

7. How can the proposed project be considered a good investment for the District?

8. Can the project be segmented for partial funding?

9. What happens to the project when the grant funds are exhausted?

GRANT MAKING PROCESS

1. The Board will eliminate applications deemed unacceptable according to the basic criteria.

2. The Board will create a grid containing all the proposals along with a ranking sheet for each proposal.

3. Board members will read each proposal and complete a ranking for each of them.

4. All the rankings will be summarized and a summary will then be created with recommendations for all the proposals.

5. The amount of grants will be determined each year by the annual budget. A set of questions or issues to be discussed with each organization receiving a site visit will be prepared.

6. The Board will create a schedule for all site visits.

7. Site visits will take place. Board members will prepare their conclusions from the site visit information gained and make their funding recommendations.

8. All information from the site visits and final recommendations for the amount of grants will be submitted for approval at the monthly Board meeting following the conclusion of all site visits.

9. The Board will respond in writing to all proposals submitted, both those approved for funding and those not recommended for funding.

PROPOSAL RANKING FORM

Board Members Form to Rank Proposals

When Board members receive their copies of the proposals, they will also receive a form for ranking each proposal and giving any comments or information they think important. The proposals will be listed numerically within problem areas.

Tools for Evaluating Proposals

The Board will use three items or tools (which are included herein) for evaluating proposals:

1. A list of ten points which make up a Framework for Evaluating Proposals.
2. The Corporations Grant Application Guidelines and Format for Proposals.
3. A summary of the major issues or focus areas that were identified as a result of the needs assessment performed pursuant to SB 697.

Preparing for Site Visits

The Board will use the attached Site Visit Checklist as a guide in preparing for and conducting site visits.

FUND PROPOSAL MAJOR FOCUS AREAS

The current needs assessment has identified the following major focus areas from among a number of problems (keep these in mind when thinking about your project):

Youth and Teen Issues: Violence prevention, substance abuse, drop-out and truancy rates, and health-related educational programs.

Frail Elderly Issues: Independent living, avoidance of premature institutionalization, health care, and substance abuse.

Cancer-Related Issues: Support for efforts to explain or address Contra Costa County's high incident rates.

Family Health Issues: Health education, preventive care, perinatal health, and immunization programs for children.

Chronic Disease Management Issues: Arthritis, osteoporosis, tuberculosis, cancer, heart disease, diabetes, and HIV/AIDS.

FRAMEWORK FOR EVALUATING PROPOSALS
TEN POINTS

1. **SCREENING FOR ELIGIBILITY:** Has the organization provided basic documentation (IRS determination letter, IRS Form 990, and financial statements) as well as a clear and concise proposal summary to allow you to determine its eligibility for consideration? Does the request meet the legal requirements and the interests of your foundation?

2. **ORGANIZATION STRENGTH:** Is this a credible organization, especially in the program area in which funds are requested? What is its mission? What is its professional standing within its community? What is its track record? Who is served and are there similar programs in the same geographical area? Is there evidence of community support? What are the distinctive merits of this organization?

3. **PEOPLE:** Do key personnel have the necessary expertise to undertake the proposed program? Who provides leadership and vision for the organization. Is the management efficient and well organized? Does the board composition reflect an appropriate diversity of skills and backgrounds?

4. **FINANCIAL CONDITION:** How does the agency meet day-to-day operations? Is there a broad base of support? If it is a deficit operation, how does the agency intend to meet the deficit? Does the program budget make sense? Is it inflated or inadequate?

5. **PROBLEM OR NEED TO BE ADDRESSED:** Has an important problem of workable dimensions been presented and data been given to substantiate the problem or have needs to be met been presented and documented?

6. **PROGRAM OBJECTIVES:** What will be accomplished with the proposed funding? Are the objectives realistic and measurable? Do they relate to the stated problem or need? If this is a new activity or approach, what has been learned from research or similar programs?

7. **METHODS:** Are the plans sufficiently detailed? Is there evidence given as to why the methods should bring about the desired results? Is the timetable for implementation realistic? Is staff adequate and capable enough to reach objectives?

8. **EVALUATION:** Is there a procedure designed to measure accomplishment of objectives? For pilot or model programs, what plans have been made to share the results with others and implement the findings?

9. **FUTURE/OTHER FUNDING:** What other funding sources have been identified? If the program is to be continued beyond the grant period, is a verifiable plan presented for future financial support.

10. **LANGUAGE AND FORM:** Is the proposal clear and logically presented? Has the writer avoided making unsupported assumptions? Is there extensive use of jargon and verbiage?

SITE VISIT CHECKLIST

As a wise grantmaker once said, "You can tell good grantmakers by how many pair of shoes they wear out in a year." It is true that grantmaking goes beyond reading the written proposal. Grantmaking involves getting out of your office, visiting prospective grantees and asking difficult questions. What follows are suggestions about questions you may want to ask when making site visits and delving beyond the written word.

Organization

Be certain to receive a copy of the IRS Determination/Ruling letter. Note whether the organization is a private foundation, public charity or operating foundation. Understand the expenditure responsibility which needs to be taken if a private or operating foundation. Due to the complicated nature of the law, receive all reporting instruments for organizations which undertake lobbying efforts. If there has been a provisional ruling by IRS, check when the advance ruling period ends. If there has been a name change, find out why and if the IRS and other appropriate agencies have been notified, and ascertain if the tax status remains unaltered. Does the organization being considered fall under an umbrella organization as is the case with many Catholic charities and university-related programs; if so, receive a copy of its ruling.

Personnel

Do not shy from subjective responses and have no hesitancy to meet and interview anyone associated with the organization. Be certain to meet with administrative, program support, and the governance personnel.

In meeting with Administrative/Management personnel, you want to get a sense of the leadership; how he/she relates to people and whether he/she is an effective communicator of ideas. Does the person reflect a proprietary interest or is the position viewed as a job? How long has the person been in the present position and what is the previous experience? Has there been a change in program emphasis with staff changes? What is staff relationship and involvement with the governing board and who is ultimately responsible for meeting the budget and for program expansion/curtailment? What is your sense of the person's ability to respond under pressure and to deal with critical problems as they may arise?

Ask similar types of questions of Program Staff. Check for nuances as goals may differ from the organization's plan. What is the size and make-up of support staff? Is the organization overloaded with professionals or is it understaffed for program efficiency? Look at the growth pattern of the staff checking for signs of instability such as a high turnover rate or sudden changes. What use is made of part-time and volunteer support? If there is a dependence on volunteers, is there any difficulty meeting program needs at certain times of the year? Who is responsible for the coordination of volunteer activities?

The Governance of an organization is critical: the trustees/directors/members of the governing board. Try to get a sense of commitment; are rubber stamp approvals given or are needs thoroughly examined? Why are the members serving? To lend professional expertise, as a civic duty, due to personal experience in the field, or at a friend's or colleague's request? Is there a strong or reluctant willingness to fundraise? How often does the board meet and what is attendance? Who are the pivotal members? If the board is set up by committee, what is the meeting/reporting/action procedure for each? What staff representation is present at board/committee meetings and does staff have a formal vote? Check for imbalances on board; e.g., too many with professional expertise and no accounting or legal background. Note the possible discrepancy between a working board and an advisory one; too often the latter lends prestige without input. What is the board's relationship with staff? Is there awareness or problems or an unwillingness to get involved? What controls are placed on the administrator in regard to expenditure responsibility or extraordinary expense approval. Is the board being well-used?

Facility

As you enter and walk through the facility, be conscious of its location and its physical space. Is the location easily accessible to the organization's constituency and is it able to attract and accommodate clients? What factors determined this specific location: availability, outreach or drop-in services? Does the physical space appear to be up to code? Are there any signs of visible needed repairs/improvements/deferred maintenance? Is the space conducive to productivity; e.g., adequate lighting and sufficient room? Are there limitations or observable deficiencies to meet program/service requirements? Is too much hardware visible; e.g., is the Xerox machine used exclusively or is it unnecessary equipment? Do proper office systems/procedures appear to be in place; e.g., if healthcare agency, medical records confidentiality--is filing system accessible by too many or too few?

Program

What are stated goals and purposes of organization and does it appear they are being met? What constitutes "community"--local neighborhood, community-at-large, or regional or national direction? Has the organization bitten off more than it can chew? Has a lesser scale been tried and proven? Are there inconsistencies in goals? What are the basic program components/services which will always be provided and what projects are dependent on funding? What internal monitoring system has been established to assess programmatic and administrative problems and successes? How does organization judge its program performance and by what standards? What is the frequency of the review process? Note that program accountability is often superficial while hours can be spent on fiscal control/reporting or vice versa. What means does organization have to avoid duplication of services/programs with other community agencies? Is it unaware of similar work or is there a willingness to coordinate efforts? What documents are available to look at; e.g., staff reports, board documents, or administrative memoranda?

Financial

Look carefully at the Current Operating Budget and assume the following built-in biases: underestimate expenses and overestimate income (particularly true of cultural organizations). Scrutinize the basics (hard dollar items): rent/mortgage and salary--are they reasonable, too high or too low? Check for disproportionate costs and hidden costs; e.g., deferred maintenance. Look at program needs, the flexible/soft dollars: duplication with hard-core items; use of consultants and why; are travel expenses necessities--for whom and why? Where can budget cuts be made if necessary? Who is ultimately responsible for balancing the budget? Get answers from both the staff and board. How is the proper use of funds assured? In checking income, weigh percentages of government grants/private funding and other sources, such as fees-for-service of admission fees. Is there a dependence on a few major donors to sustain the organization? Is it desirable to alter such a skewed position and methods of correcting same? Is public charity status jeopardized by a major long-term commitment? Ask for the audit of the previous year; if not available, look at previous budgets and have someone you rely on give an outside opinion.

All organizations should have a Master Plan, a three-to-five-year forecast. If not available in written form, it should be succinctly verbalized and the organization encouraged to develop a written statement. Does the plan simply include a built-in inflationary spiral or does it reflect a realistic growth pattern? What increases are legitimate? Does the plan get reviewed periodically? How often and by whom? What changes have been made in the plan during the past year? Why? It's all right to dream, but working plans should be obtainable. If the claim toward self-support is made, is it achievable? Is growth in revenue-producing services consistent with programs goals? If self-support is not attainable, what alternatives have been considered? What willingness is there to curtail services?

There are certain pitfalls to be reckoned. Does dependence on government grants cause cash-flow problems? Has the government or private funding caused the organization to reorder its priorities to meet the donor's criteria; e.g., has the opportunity for funding influenced the organization's direction? Are reporting requirements burdensomely time-consuming?

Attachment 4

Tri-District Healthcare Board
Bylaws

BYLAWS OF THE TRI-DISTRICT HEALTHCARE BOARD

SECTION I. NAME

The name shall be "TRI-DISTRICT HEALTHCARE BOARD."

SECTION II. OBJECTIVE

Oversight of Contra Costa County healthcare issues.

SECTION III. MEMBERS

Members shall be the elected and/or appointed directors to the three Contra Costa County Healthcare Districts:

- Los Medanos Community Healthcare District
- Mt. Diablo Healthcare District
- West Contra Costa Healthcare District

There shall be a total of fifteen consisting of five directors from each District.

SECTION IV. OFFICERS

The Chairman shall be the chairman of the host district whose responsibilities shall will include:

- Making the meeting room reservation.
- Preparing the agenda (after receiving input from the other Districts and conferring with the Recording Secretary).

The Recording Secretary shall be an appointed non-member (without a vote) who will:

- Ensure the agenda is distributed two weeks prior to each quarterly and/or special meeting.
- Attend and record meeting minutes.
- Transcribe and distribute meeting minutes within ten days following each meeting to ensure coordination and action item reminders.

SECTION V. MEETINGS

Meetings shall be held four times a year in the months of February, May, August and November on the second Wednesday of the designated meeting month:

- The time shall be 7:00 to 8:30 PM.
- Annual meeting: none designated.
- Special meetings may be called by the Board or by agreement of the three District Chairmen.

- A quorum shall be nine (9) members to include a minimum of two (2) members from each District.
- Instead of a majority, a 3/5 vote shall be required for passage of any action.

SECTION VI. EXECUTIVE BOARD

None recommended.

SECTION VII. COMMITTEES

May be established as needed; to be appointed or selected at a regular meeting.

SECTION VIII. DISSOLUTION

To be developed.

SECTION IX. PARLIAMENTARY AUTHORITY

Roberts Rules of Order Newly Revised (1990 or 2000 edition) shall govern in all cases to which they are applicable and they are not inconsistent with these bylaws, any special rules of order that may have been adopted, and the "Brown Act."

SECTION X. AMENDMENTS

- May be amended at any regular meeting providing notice has been included in the call to meeting and shall require a 2/3 vote to be adopted (10 votes); or
- By unanimous approval of the total membership without previous notice.